

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

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1. CONTRACT ID CODE:	
2. AMENDMENT/MODIFICATION NO. 0001	3.EFFECTIVE DATE 25 February 1998
4. REQUISITION/PURCHASE REQ. NO.	5.PROJECT NO. (If applicable)
6. ISSUED BY CODE DOT/RSPA/Volpe National Transportation Systems Center 55 Broadway, Kendall Square Cambridge, MA 02142	7. ADMINISTERED BY Code (If other than Item 6) Not Applicable
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, County, State and ZIP Code) To All Offerors/Bidders Code: FACILITY CODE:	[X]9A. AMENDMENT OF SOLICITATION NO. DTRS-57-98-R-00004 9B. DATED (See Item 11) 28 January 1998 []10A. MOD. OF CONTRACT/ORDER NO. 10B. DATED (See Item 13)
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS	
<p>[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [] is extended, [x] is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>	
12. ACCOUNTING AND APPROPRIATION DATA (If required)	
<div>EXCEPTION TO STANDARD FORM 30 (REV.10-83)</div> <div align="right">Prescribed by GSA FAR(48 CFR) 53.243</div>	

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13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS MODIFIED IN ITEM 14. ☐ A.THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.

☐ B.THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data,etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).

☐ C.THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

☐ D.OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible).

This amendment is issued to make changes in the solicitation and to provide responses to the questions received.

(continued)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remain unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Edward R. Wirtanen
15B. CONTRACTOR/OFFEROR _____ (Signature of person authorized to sign)	16B. UNITED STATES OF AMERICA _____ (Signature of Contracting Officer)
15C. DATE SIGNED	16C. DATE SIGNED

EXCEPTION TO STANDARD FORM 30 (REV.10-83)

1. Page 36, Paragraph G.8, PAYMENTS UNDER COST REIMBURSEMENT CONTRACTS, is revised by deleting the requirement to identify all personnel in each labor category with their associated hours. Therefore, G.8.B.2 on page 37 is revised as follows:

Delete: Cite direct labor hours incurred by labor category as set forth in the contract or task including the identification of all personnel utilized in each category with their associated hours.

Insert: Cite direct labor hours incurred by labor category as set forth in the contract or task.

2. Page 38, Paragraph G.9, PAYMENT OF FEE-COST-PLUS-FIXED-FEE is revised to state that the Government will issue term-type Task Orders which will include one of two methods by which the Contractor can earn total fixed fee. Therefore, G.9.B is revised to read as follows:
(Changes are noted in italics and underline.)

For term-type Task Orders, a portion of any fixed-fee specified in the Task Order will be paid on a provisional basis. The amount of such payments will be based on the ratio of direct professional labor hours expended during the covered period to the direct professional labor hours specified in the Task Order. Direct professional labor hours include only the labor categories specified for the Task Order such as engineers, scientists, technicians, statisticians, and programmers and not administrative or support personnel such as company management, typists, and key punch operators, even though such administrative personnel are normally treated as direct labor by the Contractor. At the time of issuance, a term-type Task Order will state the requirements for earning full fixed fee by including one of the following clauses:

- (1) The total fee for each term-type task shall be payable upon acceptance of the work by the Government and upon receipt of a written certification from the Contractor that the level of effort specified in the Task Order has been expended. If fewer direct labor hours are provided than set forth in the Task Order, the fee will be adjusted downward for each hour not provided.
- (2) The total fee for each term-type task shall be payable upon acceptance of the work by the Government and upon receipt of a written certification from the Contractor that at least 90% of the level of effort specified in the Task Order has been expended. If the Contractor provides less than 90% of the level of effort specified in the Task Order, the fixed fee will be adjusted downward based on each hour not provided of the full level of effort specified. If the Contractor has provided 100% of the level of effort specified in the Task Order and the cost incurred is below the estimated cost, the Government may require the Contractor to provide additional effort up to 110% of the level of effort specified in the Task Order until the estimated cost has been reached. However, this additional effort shall not result in any increase in the fixed fee.

3. Part 2, Staffing, page 112, of the Technical Proposal Instructions is amended by correcting the reference to the Key Personnel clause. Therefore, A. **Program Manager** is revised to read as follows:

The Offeror must identify the individual who will serve as the overall Program Manager for this contract and who will be identified under the Key Personnel clause in I.7.

4. Part 2, Staffing, page 112, of the Technical Proposal Instructions is amended by deleting the requirement that Principal Investigators must be employed by the prime or major subcontractors only. Therefore, B. **Principal Investigator(s)** is revised as follows:

Delete: One or more of the Principal Investigators may be personnel from major subcontractors, if it is intended that they fulfill such a role under this contract.

Insert: One or more of the Principal Investigators may be personnel from subcontractors, if it is intended that they fulfill such a role under this contract.

QUESTIONS AND ANSWERS

1. Reference is made to Paragraph L.4, page 86. Is there any statutory fee limit on fixed price contracts or subcontracts?

A. No.

2. Reference is made to Attachment J.1, Labor Category Qualifications. Must all individuals identified in the senior staff or middle staff categories have college degrees?

A. No. For example, an individual with 16 years of progressively increasing responsibility in directly related disciplines and/or projects with 15 of the 16 years reflecting extensive and in-depth experience in a specific field directly related to the SOW would qualify as senior staff in accordance with the equivalences stated in the RFP for Ph.D., Master's Degree, and Bachelor's Degree.

3. Please clarify the process to be used by subcontractors in submitting proprietary data directly to the Volpe Center.

A. Subcontractors must follow the instructions in Paragraph L.3 for submission of Cost/Business Proposals, including submitting the required number of copies. Each subcontractor must identify the name of its prime. The requirement to submit a copy of the cost proposal on a floppy disk does not apply to supporting proprietary data from the subcontractor. Offerors are reminded that submission of proprietary information directly to the Government by a proposed subcontractor does not relieve a prime of any of its responsibilities as specified in FAR 44.202-2.

4. RFP section L.5, page 108, instructs Offerors to submit a past performance volume that lists all contracts with the Federal Government during the prior three (3) year period with values in excess of \$500,000. Furthermore, page 109 instructs Offerors to select "no more than five contracts" from that list which it "considers the most relevant." Section M.2.A (page 108) states that "the Offeror's relevant past performance history will be evaluated . . ." Will the Government evaluate only the five (5) contracts designated as "most relevant" by the Offeror, or will the Government select for evaluation any contracts it considers relevant from the list of all over \$500,000?

A. See Paragraph L.5, Part 1, Past Performance (a) on page 108 and Paragraph L.5, Part 1, Past Performance (b) (11) on page 109.

5. Given that the solicitation's specified proposal performance period and hours allocation are "for evaluation purposes," would it be acceptable for proposal purposes to allocate to individual employees quantities of hours which exceed what is normally considered to be the equivalent of a "person year?"

A. No. The Government's rationale for the proposed labor level is as stated in Paragraph L.2. E. on page 81. As stated in Paragraph L.2. D on page 81, the cost proposal must reflect realistic hours. Any attempt to submit an unrealistic cost proposal will result at a minimum in the Offeror's proposal being adjusted or evaluated at a higher cost, and could result in the Offeror's proposal being removed from consideration for award for failure to follow solicitation instructions.

6. In accordance with Paragraph L.5, Part 1, Past Performance (d) on page 109, the information on past performance reports shall be considered sensitive and shall not be released to other Offerors. There may be cases where competing Offerors have a prime/sub relationship on a past performance project. According to Paragraph L.5, Part 1, Past Performance (b) on page 108, this would require that the prime contractor submits a past performance evaluation on a competitor and in so doing potentially holds an unfair competitive advantage. Will the Volpe Center take this into consideration when evaluating past performance evaluation reports?

A. The prime's agreement with a subcontractor is not just an extension or flow down of the prime contract and its terms. It is a separate commercial contract. For example if the subcontract was under a Volpe Center contract, the Volpe Center could not get involved because its contract is solely with the prime contractor. Therefore, the same procedures will be followed as in any commercial contract. If the prime contractor has completed a Contractor Evaluation Report, particularly those consistent with Subpart 42.15 of the FAR, a copy of this report is sufficient. Most past performance evaluation systems provide for comments, rebutting statements or additional information. If the Offeror had reason to believe the report was biased or unfair for any reason, this should have been reflected in the final evaluation report along with the contractor's review of the rebutting statements. The Volpe Center will consider the report as a whole.

In accordance with the solicitation instructions, if no past performance report has been prepared, then the Offeror is responsible for ensuring that a copy of a performance evaluation report is provided directly to the Volpe Center Contracting Officer by the customer. If Volpe Center Form 4200.7, Attachment J.2, is utilized and completed fully, then the Offeror will have an opportunity to submit comments, rebuttal or additional information to the prime contractor which will be included in the past performance report. In any case, as stated in Paragraph L.5, Part 1, Past Performance (d) on page 109, the Offeror will be given the opportunity to clarify any adverse past performance information to which the Offeror has not previously had an opportunity to respond.

7. We are a newly established company that has not been awarded any prime contracts with the Government. Our accounting system has not reviewed or approved by any Federal agency. To insure that we are not disqualified as proposing as either a prime or as a subcontractor, we request clarification of the Accounting System Approval requirement as stated in Paragraph L.4. D on pages 88 and 89. Also, is an Offeror required to apportion hours to subcontractors or can the firm perform all the work itself?

- A. The burden is on the Offeror to provide sufficient supporting information in its Cost Proposal and its Business Proposal to demonstrate to the Government that the Offeror has taken all reasonable steps to ensure that any accounting system review required after contract award will result in quick and certain approval.

The Offeror's accounting system must be adequate for recording and accumulating allowable contract costs and identifying and segregating unallowable contract costs. The prospective contractor's accounting system and related internal controls must provide reasonable assurance that - (1) Applicable laws and regulations are complied with; (2) The accounting system and cost data are reliable; (3) Risk of misallocation and discharges are minimized; and (4) Contract allocations and charges are consistent with invoice procedures.

If a newly established firm is being included as part of an Offeror's team, then the Offeror itself could review the accounting system of its prospective subcontractor's team to ensure that it complies with all Federal requirements. In addition, while a time-and-materials or labor hour contract is not an option for a prime contractor, it is acceptable under very limited circumstances for subcontracts. In the case of newly established firms with few employees and relatively uniform direct labor rates within the solicitation labor categories, a time-and-material contract may be an acceptable option.

There is no requirement for a firm to propose subcontracts. However, many contractors use subcontracts in order to meet the depth and breadth requirements of a Statement of Work. If subcontracts are utilized, the Offeror must describe the system that it will use to manage subcontracts.

8. In Part 2, Staffing, page 112, of the Technical Proposal Instructions, would the Government consider changing the requirement that Principal Investigators must be employed by the prime or major subcontractors? The best Technical Lead for a particular CNS function may be employed by a small company that could not be allocated 20% of the hours.

- A. The Government agrees. See Solicitation amendment. However, the Offeror is reminded of the requirements of Paragraph L.2. D, page 80, to reflect realistic hours in the cost proposal for individuals who play a major role in the technical proposal.

9. Should potential subcontractors fill out Schedule 3 in Paragraph L.4, Part 2, page 95?

A. No. See notation on the checklist on the bottom of page 95.

10. Can we submit a proposal based on all subcontracts being performed on a time-and-material or labor hour basis?

A. Yes. See Paragraph L.4, E. Section III, Subcontract Consent, page 105. However, as stated on page 105, the selection of contract type must be justified. In accordance with FAR 44.202-2,(a)(9) the Contracting Officer will review the request for subcontract consent to consider whether the proposed subcontract is appropriate for the risks involved and consistent with current policy. As stated in FAR 16.601, a time-and-materials or labor hour contract may be used only after the Contracting Officer executes a determination and findings that no other contract type is suitable. Time-and-material and labor hour contracts are generally applicable to smaller dollar value, "consultant" type subcontracts or contracts with commercially oriented companies. Also, time-and-material contracts typically include numerous labor categories. This solicitation only includes six categories. In the senior staff and middle staff category, a large company typically has several individuals who can meet the labor category qualifications. The direct labor rates for these individuals tend to vary greatly. Establishing a senior staff labor rate based on the weighted average of the direct labor rates of several individuals would give contractors an incentive to utilize the lowest paid qualified individuals in order to maximize profit.

11. In accordance with Paragraph L.4, E. page 87, A.4, the Offeror's cost for direct labor shall be allocated 40% cost-plus-fixed-fee, 40% cost-plus-award-fee, and 20% firm fixed price. Does the Government expect subcontract cost proposals to be based on the same ratio?

A. No. See Paragraph L.4, Section III, Subcontract Consent, page 105. The Offeror has to submit a justification for selection of the contract type, including a justification for selecting three contract types for a particular firm. The Offeror must also ensure that the information that it submits as to contract type is consistent with the information submitted by its potential subcontractors.

12. Section 1.5 establishes the requirement for oral presentations of proposals by eligible Offerors. What will be the physical layout of the facility to be used for the presentations?

A. It is expected that the presentations will be held in a room approximately 40 feet long and 27 feet wide. The Government intends to arrange tables and chairs in a U shape with the presenter(s) and the Government-furnished view-graph overhead projector, screen, and flip chart at the front of the room.

13. Will Offerors be allowed to view the facility for the oral presentations either prior to proposal submission or prior to the presentation? Will time be made available for presentation rehearsal in the facility?

A. The Offeror will be allowed to enter the room up to 30 minutes in advance to set up for the presentation. Offerors are reminded that all equipment and media will be provided by the Government. No rehearsal time will be provided.

14. How many cameras will be utilized for videotaping?

A. One camera will be utilized. It will pan from the speaker to the view-graph being projected on the screen and to the flip chart as it becomes necessary. Offerors are reminded that the presentation is to be made to the Technical Evaluation Team, not to the camera.

15. Prime Contractors frequently require audit assistance in order to resolve issues concerning subcontractors during performance of the contract. For example, indirect rate resolution and accounting system reviews may be required. Will this assistance be provided through the Volpe Center after contracts are awarded under this solicitation.?

A. Yes, when requested by the contractor and determined necessary by the Government.